JIM, IRVIN
COMMISSIONER-CHAIRMAN
RENZ D. JENNINGS
COMMISSIONER
CARL J. KUNASEK
COMMISSIONER





JACK ROSE

ARIZONA CORPORATION COMMISSION

Direct Line: 602-542-3933

Fax: 602-542-5560

E-mail Address: ckunasek@cc.state.az.us

Web Page: www.cc.state.az.us

MEMORANDUM

TO: Docket Control Arizona Corporation Commission

DOCKETED

FROM: Carl Kunasek

DATE: November 24, 1998

NOV 2 4 1998

DOCKETED BY

The attached letter pertains to each of the 11 items contained on the Special Open Meeting agenda of Wednesday, November 25, 1998. Please place it in the appropriate files. Thank you.

U S West Communications, Inc. (T-01051B-97-0024)

Navajo Communication Company (T-02115-97-0041)

Citizens Utilities Company (Mohave County)(T-01032-97-0042)

Citizens Communications of the White Mountains (T-03213-97-0043)

Arizona Public Service Company (E-01345A-97-0773)

Arizona Public Service Company (E-01345A-98-0473)

Tucson Electric Power Company (E-01933A-97-0772)

Tucson Electric Power Company (E-01933A-98-0471)

Competition in the Provisions of Electric Services (RE-00000C-94-165)

Sun City Water Company (W-01656A-98-0577)

Sun City West Utilities Company (SW-02334A-98-0577)

JIM ARVIN
COMMISSIONER-CHAIRMAN
RENZ D. JENNINGS
COMMISSIONER
CARL J. KUNASEK
COMMISSIONER



Nov 24 2 19 PM 198

P0014-7.

Direct Line: 602-542-3933 Fax: 602-542-5560

E-mail Address: ckunasek@cc.state.az.us

Web Page: www.cc.state.az.us

November 24, 1998

Commission Chairman Jim Irvin Commissioner Renz Jennings Arizona Corporation Commission 1200 West Washington Phoenix, AZ 85007

Dear Commissioners:

What's been obvious to my office all along should now be most obvious to all parties concerned. Namely, that the two of you have engaged in vote trading and coercion in an effort to reward past contributors to your partisan election efforts. Mr. Jennings has acknowledged soliciting funds from Arizona Public Service as well as Tucson Electric Power for partisan political gain. APS has acknowledged contributing \$5000 to advance the cause of Democrats seeking political office; these monies were used to aid Democratic Commission candidate Paul Newman.

The payoff: a \$1.5 billion dollar bailout of Arizona utilities at the expense of Arizona ratepayers. Worse yet, the agreement can't withstand the light of day. Perhaps that's why all of the negotiations were conducted behind closed doors, without public participation, or participation by the parties that include the Arizona Attorney General, every consumer group, as well as this office.

After all of this, you've scheduled an Open Meeting on 24 hours notice without checking with my office. Further, the clear intent is to circumvent the Hearing Division's procedural orders in these matters, something that no one at this Commission can ever recall. As I have said all along, the Commission's staff should be allowed to function on a quasi-independent basis. Instead, you've chosen to politicize this office, its decisions and in the process you've shattered even the appearance of due process.

The Commission's own staff acknowledges that there is no way many of these items can be completed with a thorough analysis by year's end. Your efforts to accelerate a vote on the 11 matters contained on the Open Meeting calendar is a complete abuse of political process that will prove unsuccessful in a court of law.

Unfortunately, it is the Arizona taxpayer that will pay for your blatant indiscretions. I will lead the charge in over-turning any decision that is made in this highly politicized atmosphere.

Sincerely,

Carl Kunasak